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Thailand

Grain and Feed

Weekly Rice Price Update

2004

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Report Highlights:

Export prices rocketed, following speculative demand and continued strengthening of the Thai Baht.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Bangkok [TH1]
[TH]

Indicative Prices (Week Ending Nov. 22):

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	460	433	430	460	-	440	435	443	432
WR 100 B	272	270	268	271	-	270	265	269	260
PB 5%	265	267	268	267	-	270	270	268	261
WR 5%	265	265	265	266	-	265	260	264	255
WR 10%	262	260	261	263	-	263	255	261	252
WR 15%	257	257	256	261	-	257	250	256	248
WR 25%	250	253	249	258	-	247	245	250	241
WR 35%	245	250	-	256	-	245	240	247	237
A 1 SUP	223	222	-	225	-	227	215	222	211
A 1 SPEC	221	221	-	223	-	-	213	220	210
Source: Average actual prices received from exporters									

Market Tone

Export prices for most grades of rice rocketed in response to drought-triggered speculative demand, and continued strengthening of the Thai Baht. Local millers are reportedly holding stocks for speculative purposes, following market concerns over the official press release on the anticipated reduction in MY 2004/05 main paddy crop by 1.232 million tons (0.8 million tons milled equivalent) resulting from the drought. Trade sources reported that domestic prices were so volatile that both exporters and regular foreign buyers stayed away from the market. Also, continued strengthening of the Thai Baht (to around 39.9 Baht/US\$, as compared to the previous week's average of 40.4 Baht/US\$) boosted the prices by about US\$ 2/mt. So far, the impact of the Thai Baht appreciation (since the beginning of this month) has reportedly resulted in an increase of export prices by approximately US\$ 5/mt.

In addition, the recent official proposed increase in the intervention prices for fragrant paddy to 10,000 baht/ton (roughly US\$ 250/ton) from the current intervention prices of 9,000 Bath/ton (roughly US\$ 225/ton) supported domestic prices of fragrant rice.

The following are reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO
	(MT)	(MT)	(TMT)	(TMT)
OCT 3	194,347	175,648	5,757	3,708
OCT 10	198,009	196,953	5,955	3,797
OCT 17	214,774	207,062	6,170	3,912
OCT 24	208,260	203,847	6,378	4,035
OCT 31	235,062	214,026	6,613	4,188
NOV 7	177,334	208,857	6,790	4,318
NOV 14	173,515	198,543	6,964	4,432
NOV 21	136,609	180,630	7,101	4,572

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for Nov. 15-21, 2004 totaled 136,609 tons, down 36,906 tons from the previous week's total and down 44,021 tons from the four-week moving average of 180,630 tons. Exports during Jan. 1 – Nov. 21, 2004 totaled 7,100,552 tons, compared with 4,571,529 tons during the same period in 2003.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1- Nov. 17, 2004, amounted to 8,860,465 tons, up 40 percent from 6,337,738 tons in the previous year. Despite an anticipated slowdown in Thai rice exports for the rest of the year, total rice exports are expected to reach a record 9.7 million tons in CY 2004.

Weekly Rice Sales

Private registered rice export sales for the period of Nov. 1-5, Nov. 8-12, and Nov. 15-19, 2004 are as follows:

Movement (MT)	Nov. 1-5	Nov. 8-12	Nov. 15-19
weekly sales	193,008	280,144	129,963
4 week sum	823,946	910,068	791,684
4 week mov. avg.	205,987	227,517	197,921
Total weekly sales	7,568,234	7,848,378	7,978,341

End of Report.